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FUTURE OF UNDP: IMPLEMENTATION OF EXECUTIVE BOARD DECISION 94/14

Progress in the implementation of Executive Board decision 94/14: Initiatives for change

Report of the Administrator

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I. INTRODUCTION

1. UNDP has embarked on an important journey to re-invent itself and to strengthen the capacity of the United Nations system to deliver more effective and efficient assistance in support of sustainable human development (SHD). UNDP has commenced this journey out of the conviction that the only way to respond to challenges facing international development cooperation in the long haul is to become a significantly different organization and to spearhead changes within the United Nations system for operational activities.

A. The legislative basis for change

2. In its decision 94/14 of 10 June 1994, the Executive Board approved the main elements contained in the Administrator's report entitled "Initiatives for change" (DP/1994/39). In the same decision, the Board encouraged the Administrator to continue his efforts to focus UNDP programme activities by implementing the three goals and four priority areas outlined in the report. It then requested him to report back to the Executive Board at its annual session 1995 on his progress in moving the agenda of UNDP forward as outlined. The present report has been prepared in fulfilment of the latter requirement and outlines progress achieved in the nine months since the adoption of decision 94/14.

3. Executive Board decision 94/14 synthesized and built on a decade of gradual reform, 1/ providing UNDP with the three principal goals of (a) strengthening international cooperation for sustainable human development; (b) helping the United Nations family to become a unified and powerful force for human development; and (c) focusing UNDP resources on making the maximum contribution in its programme countries to key SHD dimensions. The decision also endorsed a programme focus on four areas: (a) poverty elimination; (b) employment; (c) environmental regeneration; and (d) the advancement of women.

B. Systematizing the change process

4. In recognition of the extensive nature of the changes required, "Initiatives for Change" focused on laying the foundation for launching UNDP on its new mission. Accordingly, UNDP has since focused on laying such a foundation in preparation for intensive implementation during the next programming period. Because of the evolutionary nature of the change, this has involved both drawing on experience that prepared for the "Initiatives for change" and on the specific changes since the Executive Board adopted decision 94/14. More particularly, a systematic effort was made to:

(a) Support programme countries in their efforts to conceptualize further and develop approaches and modalities for SHD;

(b) Support, capture and disseminate the results of past and current national experience in promoting SHD;

(c) Establish a framework for the new mission and programme focus of UNDP;

(d) Reorient and develop UNDP capacity in country offices and at headquarters to enable it to fulfil its new mission; and

(e) Build strategic alliances with key agencies to promote SHD.

5. The entire organization has been mobilized in this process of change. The workplans of all bureaux and departments and country offices now directly address the new requirements of the UNDP mission. A task force under the leadership of the Office for Evaluation and Strategic Planning (OESP) has been established to rationalize and coordinate them and monitor their implementation. Individual performance plans are based on these workplans. The appraisal of the performance of individuals is therefore now also closely linked to their contributions to change.

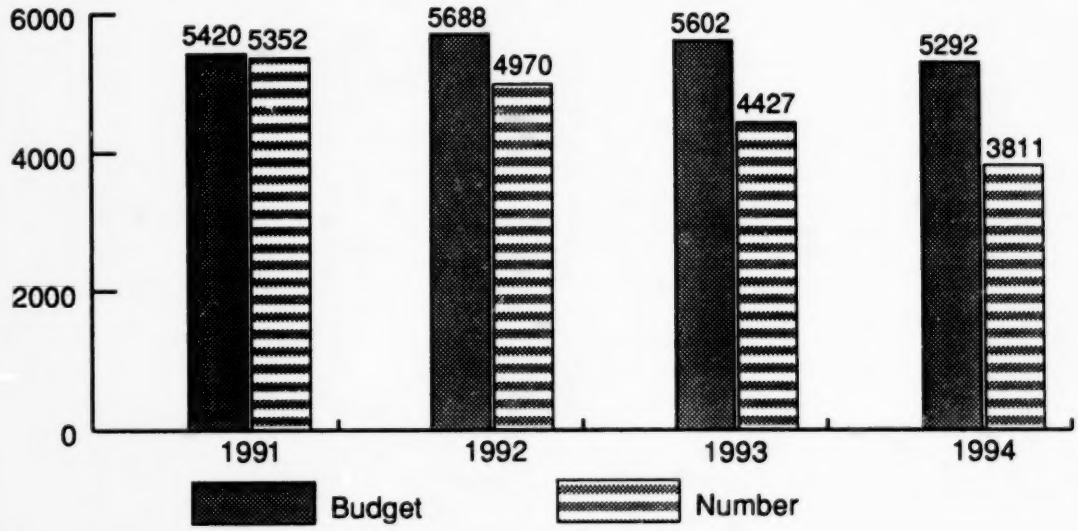
II. FOCUSING UNDP RESOURCES ON KEY DIMENSIONS OF SUSTAINABLE HUMAN DEVELOPMENT

6. Since 1991, the total number of UNDP projects has decreased by 30 per cent from 5,352 to 3,811 - while total project budgets (core resources plus cost-sharing), have remained approximately constant at about $5.5 billion.

7. This added focus has been largely modality driven. It was due primarily to the application of the programme approach and an increase in the level of approval authority accorded to resident representatives. Indeed, the average size of projects showed a 24.2 per cent increase - from $660,000 to $820,000 - in 1993, the year immediately following the introduction of the programme approach and the earlier increase in level of approval authority of resident representatives. Inflation has been more than offset by the extensive use of national expertise, which, because of its cost-effectiveness, makes this concentration of resources all the more significant.

8. Executive Board decision 94/14 provides added substantive focus on poverty elimination, employment, environmental regeneration and the advancement of women. In implementing this requirement, UNDP has addressed the need to (a) develop focused programme strategies; (b) establish a framework for the programming of resources that reflects this focus; and (c) develop pilot and demonstration programmes in the four areas of focus. Linkages between these areas have been built into all activities.

Figure 1. Total number of UNDP projects and total budgets (millions of dollars)



A. The building blocks for programme strategies

Reflecting diversity

9. In developing strategies for the use of UNDP resources in support of SHD, UNDP has adhered closely to the principle of working in support of national priorities and plans, guaranteeing national ownership and fostering the development of national capacity.

10. It has therefore been essential for UNDP programmes to reflect the increasing diversity of needs between programme countries. In certain countries - particularly in Asia and Latin America, the entry point for SHD has had to take into account the ever-increasing importance of the private sector and private capital flows as the principal engine for growth. In the Commonwealth of Independent States (CIS), Viet Nam, and to a degree, China, Governments have had to conceptualize and plan SHD within the framework of continuing and intensifying economic transition. In a number of countries, particularly in Africa, negative growth, coupled with the incidence of complex emergencies has also had a marked effect on the focus of programmes within the broader UNDP mission of fostering SHD. No standardized global approaches to SHD are possible or desirable - indeed, quite the contrary!

11. Nevertheless, it has been possible to establish common frameworks and aggregate objectives within which detailed strategies and programmes can be designed and piloted in accordance with local requirements and conditions.

Learning from experience

12. This approach has been bolstered with a systematic effort to assess past experience - both within UNDP and outside - and to learn from it. Workshops were convened to share experience, discuss and internalize the findings and recommendations of evaluations and other assessments, and task forces established to operationalize their recommendations.

13. A review of two decades of experience with capacity-building conducted in 1994 for UNDP by the Harvard Institute of Development re-emphasized the need to address critical constraints to the establishment of an enabling environment for capacity-building including macro-economic parameters that affect retention and use of capacity. It identified the most effective training methods and implementation modalities for capacity-building and reinforced the principle of adopting a dynamic approach in the interest of sustainability. A subsequent report on building sustainable capacity with particular reference to the public sector was also produced, re-conceptualizing the approach to be adopted. This was further adapted as a handbook entitled "Process Consultation: Systemic Improvement of Public Sector Management".

14. A handbook entitled "Sustainable Human Development. From Concepts to Operation: A Guide for the Practitioner" was prepared. It draws on experience gained in the participatory methods of development planning and management, aiding UNDP personnel and Governments in the preparation of SHD strategies and programmes. This is being supplemented with a paper on the economic implications and aspects of SHD. In January 1995, an issues paper entitled

"Donor Organizations and Participatory Development Strategies" was issued. Subsequently, in preparation for follow-up to the World Summit for Social Development, a working paper was prepared on designing and implementing national strategies for poverty eradication. In recognition of the importance of rural agriculture in the alleviation of poverty, employment creation, the preservation of the environment and mainstreaming women in economic development, guidelines for UNDP, government, and other development practitioners, entitled "Sustainable Human Development and Agriculture" have been produced and now serves as basic reference for programming in UNDP.

15. Regional approaches were further developed. The experience gained by UNDP on SHD in Africa was reviewed by the Regional Bureau for Africa with a view to drawing lessons for future programming. Under a regional project to overcome critical poverty in the Latin American and Caribbean region, a conceptual framework and methodologies for the measurement of poverty were established. Two poverty alleviation projects have also been designed and approved for the Asia and Pacific region. One focuses on macro-policy, and the other on reinforcing social mobilization at the micro-level.

Policy dialogue with programme country Governments

16. A major UNDP response to Executive Board decision 94/14 has been to reinforce and redirect its contribution to policy dialogue, building on innovative initiatives launched within the past two years to implement earlier Board decisions. The aim has been to identify groups excluded from the benefits of development, whether by reasons of poverty, gender or geographic location, and to propose environmentally sound strategies for their inclusion. Throughout, this process has been led by government, in collaboration with civil society, and supported by UNDP along with United Nations specialized agencies and donors at the country level.

17. Policy dialogue has been initiated through national human development reports, situation analyses, collection of data disaggregated by region, gender and income distribution, and policy studies. The compilation of information in this manner by Governments with UNDP support has provoked thought and activity to address shortcomings. In the case of Bangladesh and India (see box), the country offices themselves have both developed models for the analysis of SHD parameters with a view to laying the basis for the development of strategies and programmes.

India: SHD sensitivity analysis

The SHD sensitivity analysis methodology developed by UNDP/India is a normative tool which, with some additional fine-tuning, can be used to integrate a set of priority SHD objectives into development projects and programmes within the context of an overall strategy for SHD for India.

This methodology involves a two-tier approach. First, through a set of standardized questions, information is elicited on the likely impact of the project being tested on seven SHD dimensions (people centredness, poverty elimination, advancement of women and child development, productive employment, protection/regeneration of the environment, sustainable economic growth, transfer of environmentally sustainable technology). The responses to the questions are scored on a simple scale ranging from +3 (exceptionally good) to -3 (exceptionally bad) and an aggregate for each dimension arrived at. An SHD profile for the project is then plotted against each of these indicators.

Second, the programme is then evaluated with respect to the full potential it has for achieving the relevant SHD objectives (e.g., through project management redesign). The potential SHD profile is thus plotted. The gap between the potential and actual SHD profile is the SHD gap. Programmes then identify strategies by which this gap may be closed.

18. A number of programme countries have elected to produce national human development reports with UNDP assistance. Reports assessing the status of human development were prepared for a total of 10 countries (Bangladesh (one every year since 1992), Bolivia, Botswana, Colombia, Ghana, Egypt, Pakistan, Philippines, Pacific Islands and Ukraine). A further 22 national human development reports for each of the countries of Eastern Europe and the Commonwealth of Independent States are also in the process of preparation. In most instances, Governments have used the preparation of national human development reports as a springboard for SHD programming and policy development.

19. Dialogue generated in this variety of ways has, in a number of instances, resulted in the adjustment of national priorities and laid the basis for concerted strategies and programme initiatives for SHD. Examples abound:

(a) In Bolivia, human development indices are being produced at the local level as a means of underpinning local and national planning and programme monitoring. With UNDP support, the Government has established three "super ministries" for human development, sustainable development and economic development. These super ministries have begun the process of further developing national priorities and plans for development;

(b) With support from UNDP, Guinea has launched a human development initiative to analyse poverty through participatory approaches, study the means of financing human development, and look at the ways in which groups are

excluded from the market. Recommendations will be captured in a government policy framework paper for human development and implemented through national programmes;

(c) In Indonesia, a programme sponsored by UNDP and the United Nations Children's Fund (UNICEF) has collected data on people below the poverty line and highlighted the need for precise policies for regional development planning and resource mobilization. This programme triggered a comprehensive programme to improve the analysis, management and implementation of Indonesia's poverty eradication programme;

(d) In Malawi, UNDP assistance has helped to focus national attention on the elimination of poverty and decentralization to the local level, in collaboration with UNICEF;

(e) Under the Programme of Assistance to the Palestinian People, in collaboration with Palestinian public institutions and non-governmental organizations (NGOs), UNDP sponsored two seminars on SHD to launch an initiative for human development at this critical juncture in history;

(f) In Botswana, the process of producing a national human development report has led to nation-wide debate and a policy on how to deal with excluded groups. For the first time, a poverty eradication framework has been developed. Human development indicators are being updated and analysed nationally as a means of monitoring the achievement of targets;

(g) In Egypt, work by the Institute of National Planning in the production of the National Human Development Report has led 26 provincial governors to examine disparities within and between their governorates and to decide on strategies for participatory development that integrate women and conserve and regenerate the environment;

(h) In the Pacific Island countries, a subregional human development report has provided the policy underpinnings for a programme to target disadvantaged groups. This programme covers a total of 15 islands and has a strong complement of grass-roots and community-level poverty elimination activities of a catalytic and facilitative nature;

(i) In the Philippines, a human development network brought together the leaders from NGO coalitions, the academic community, and the private sector to reflect on the country's priorities and ways to focus human development. The Government used the forum as a means of developing and sharing innovative ideas and approaches, and the President himself launched the Philippines Human Development Report.

20. To reflect this diverse experience, 12 countries, including most of the above, and one subregion, were selected for their success in piloting alternative strategies for development, with UNDP assistance. (Bolivia, Botswana, China, Egypt, El Salvador, Guinea, Malawi, Pakistan, the Philippines, Sudan, Turkey, Ukraine and the Pacific Islands) Governments in some of these countries prepared strategies for SHD. These experiences and national strategies were summarized in monograph form, "UNDP Monographs Series on SHD:

Country Strategies for Social Development". Five of the strategies (those for Bolivia, China, Egypt, Guinea and Ukraine) were presented by the countries themselves at the third meeting of the Preparatory Committee for the World Summit for Social Development.

21. With respect to aid coordination, an in-depth evaluation was carried out in 1994, reviewing both Consultative Group and round-table countries. This has launched a process of further intensive discussion between UNDP and the World Bank on further rationalization of existing mechanisms and functional responsibilities with a view to instituting efficient systems for aid management by programme country Governments.

22. These studies and reports have together considerably advanced the foundation for future implementation of SHD and the overall mission of UNDP.

B. Towards a new resource programming framework

23. A dramatic new framework for the allocation and programming of the organization's resources in the next programming period is being developed and will be presented to the Executive Board at its current session. Subject to the agreement of the Board at the current session, the new framework should go into effect immediately with advance programming starting in July 1995 for the programming period 1997-1999 at the end of the fifth cycle. The new framework closely mirrors the new mission of UNDP and will serve to further reinforce this focus. At the same time the new framework is designed to:

(a) Permit the flexibility needed for effective and quick response;

(b) Improve accountability by creating a clearer framework for monitoring and evaluation based on programme focus and impact;

(c) Maximize the overall impact and effectiveness of the United Nations system while further strengthening UNDP's role within it;

(d) Maximize country-level impact in line with national priorities by increasing focus;

(e) Reaffirm the fundamental principles of United Nations system operations (universality, neutrality, based on national development priorities and policies and the voluntary, grant nature of assistance provided); and

(f) Maximize leverage for the mobilization of additional resources from a variety of sources.

C. Programming initiatives

24. Programme initiatives for the piloting and demonstration of SHD approaches have been undertaken by re-allocating existing core resources, adding to ongoing programmes that have demonstrable impact, and channelling additional cost-sharing resources. Mid-term reviews and evaluations have been used as a basis

for selection. A total of 21 mid-term reviews have been conducted so far. The resultant reallocation of resources and reorientation of programmes has served to focus UNDP assistance further. All mid-term reviews and their recommendations have been presented to the Executive Board. The annex to the present report contains a selective account of relevant programme initiatives that have involved intensive implementation in 1994 and early 1995.

Focus area: Poverty elimination

25. The questions may well be asked: What has UNDP been doing all this time if it has not been attempting to eliminate poverty? How does UNDP's approach need to change? What does this mean in practical terms? The fact of the matter is that UNDP has indeed been addressing the needs of poorer countries in the past, as have many other development agencies. This is not quite the same as addressing the developmental needs of the poorer sections of the population in these countries.

26. The approach now being adopted is to target those who are marginalized in economic or social terms but nevertheless have the potential for productive livelihood. This requires the establishment of effective outreach mechanisms, making use of local government, institutions of civil society such as village and community groups and institutions of traditional government, national and international NGOs, United Nations Volunteers (UNV) specialists and United Nations specialized agencies. Most importantly, the approach involves empowerment of target communities in the identification and communication of their own needs and in the management of the implementation of projects and programmes geared to eliminating critical constraints to their development. This involves social mobilization and the strengthening of community-level organizations, incorporating disadvantaged and marginalized groups within these poor communities and providing them with access to resources and services. Generation of income is central to the approach. Where possible, programme interventions are designed to help beneficiaries to help themselves, avoiding notions of charity. The ultimate objective is not just wealth-creation in income terms, but improvement in the level of human development.

27. Poverty elimination also requires simultaneous assistance upstream. It requires pro-poor macro-policies geared to build on the productivity of the poor. National policies need to be adjusted to facilitate the elimination of poverty. Such measures vary in range: pricing policies for agricultural inputs required by small farmers in raising their production; policies regarding access to small credit facilities; special measures required to make education accessible to children born in remote rural areas who participate in seasonal agricultural activities alongside adults; elimination of legislative and bureaucratic barriers to the informal sector.

28. In some instances, a holistic approach by UNDP is called for. In others, where domestic and other resources are applied extensively, UNDP assistance may be required only to eliminate a few critical constraints in a targeted manner. Impact is critical in programme design and implementation throughout.

Mongolia: A concerted effort to eliminate poverty

Perhaps the best example of a programme approach to poverty elimination is the case of Mongolia. Following political and economic liberalization in mid-1990, Mongolia went through a period of economic crisis that lasted through much of 1993. The dislocations in the economy caused by the transition to a market economy was compounded by the disintegration of the former Soviet Union, Mongolia's main trade and aid partner. At an in-country donor meeting convened by the Government/UNDP in September 1992, UNDP expressed concern about emerging poverty in Mongolia. At the time, both the Government and the World Bank considered poverty in Mongolia to be transitory and an urban phenomenon on the premise that the rural nomadic populations are insulated from the effects of the economic transition process. However, at the same time, World Bank reports indicated that there were serious problems in the export of livestock because of the disruptions in livestock trade, a major source of income for the rural areas.

A World Bank/Save the Children Fund mission fielded in late 1992 found indications of poverty in the rural areas. UNDP followed up with a mission in mid-1993 (financed from the Swedish Human Development Trust Fund), the purpose of which was to look at poverty, specifically in the rural areas. The mission confirmed serious poverty because of negative terms of trade in the rural areas; the disintegration of social services and infrastructural bottlenecks. At the annual World Bank/Japan donor meeting held in Tokyo in October 1993, at UNDP's request, poverty was put on the agenda and resulted in expressions of donor concern and support for action. The UNDP mission report was also distributed to the donors. Following the donor meeting, the Government requested UNDP to take the lead in coordinating donor assistance for poverty alleviation.

From the very outset, it was recognized that other donors to Mongolia, including United Nations agencies, multilateral financing institutions, bilateral donors and NGOs, will have to be brought on board, both for substantive contributions and future financial support. To initiate this process, the country office prepared a background paper highlighting key issues relating to poverty in Mongolia. This was circulated to various donors, indicating the Government/UNDP intention to field a major mission and requesting confirmation of interest in participating in the mission as well as substantive comments on the background document. The paper received positive response from the International Labour Organization (ILO), the International Fund for Agricultural Development (IFAD), the United Nations Population Fund (UNFPA) and UNICEF, who participated in the mission at their own cost. The World Bank also responded positively, indicating that a World Bank mission would overlap and coordinate with the mission. The mission included experts in: macroeconomics with a human development orientation; employment and social safety; rural development with special knowledge of nomadic populations; gender issues and participatory approaches.

The mission thoroughly assessed poverty in Mongolia, overall strategies for poverty alleviation and recommendations on the content of a national poverty alleviation programme. A full national poverty alleviation programme was not, however, formulated as it was felt that this would have to be done by the Government to ensure national ownership. An interministerial committee subsequently conducted extensive internal consultations and formulated a national poverty alleviation programme based on the mission's findings. This resulted in the adoption and further elaboration of the decentralized approach recommended by the mission and initial institutional structures for the management of the programme. The full package was presented at a donor meeting convened by the Government/UNDP in July 1994. The donor response was positive, with the World Bank strongly supporting the overall strategy proposed. In response to donor concerns, a mission by a social investment fund expert was fielded to recommend appropriate institutional/management structures to the Government. The Government took decisions on some issues but others could not be addressed prior to the November 1994 donor meeting. The Government reported on progress to donors, who were again very supportive.

The holistic approach to poverty alleviation, addressing both macro and micro and intersectoral linkages, was important in positioning the programme strategically. Open dialogue and partnership with other donor agencies was important in building support for the programme. This, together with the quality of analysis, resulted in full World Bank support for the programme and an indication that it would contribute $7 million to the programme. Continuing effort will be required to maintain this partnership.

Operationalization will entail further detailing of subprogrammes, delivery mechanisms, management structures and resource mobilization. This will require more internal effort that will have to be supported by appropriate UNDP assistance. The formulation of a national programme is a process that requires substantive credibility and partnership building, which will have to be designed in the process. Key steps in the process are: (a) getting Government and donor consensus on critical issues and substantive content of the programme; (b) settling institutional/programme management issues, which are often fraught with political consideration; (c) defining and detailing subprogrammes; (d) targeting donors and packaging subprogramme activities for resource mobilization.

Focus area: Employment generation

29. Employment generation is of central importance to poverty elimination. Yet it also has an important place to play for communities at a variety of levels of development. It is of critical importance in virtually all programme countries - from transitional economies, through middle-income countries, to least developed countries (LDCs).

30. The approach being developed involves further deepening collaboration between UNDP and the International Labour Organization (ILO) in particular. It goes beyond the creation of jobs for the sake of jobs. Rather, it is based on a

systematic approach to identifying market demand and creating economically viable jobs that foster sustainable livelihoods. The following steps all form part of the approach generally being adopted by UNDP and ILO in this critical area:

(a) Market assessment and identification of demand;

(b) Creation of an enabling environment for investment and private-sector development, including the application of fiscal instruments;

(c) Training/retraining of programme beneficiaries;

(d) Provision of essential inputs and services (credit, marketing, information, business advice, etc.).

31. The creation of an enabling environment for growth with jobs is an essential part not only of the UNDP approach but for the creation of sustainable livelihoods. The development of investor confidence, the creation of labour-based production, the retention of labour, the alignment of wage policies, and other essential parameters may all be addressed through sector analysis and the application of fiscal and monetary instruments.

32. In the case of LDCs, the approach primarily entails the creation of micro-enterprises. In countries with large-scale parastatal systems of production undergoing privatization and extensive downsizing, the approach involves extensive retraining to enable workers to fulfil new areas of demand. In the case of privatized companies of significant size, retraining programmes are to be established in target industries themselves as this provides the most sensitive assessment of changing demand. In the case of micro-enterprises, the assessment of demand and supply relationships is more complex. Innovative methods, including roving teams, have been created to assess demand on a continuing basis. The creation of revolving funds is essential to most schemes. A sign of success is the ability of beneficiaries to repay their loans and to render these funds sustainable.

Focus area: Advancement of women

33. Signatories of the Committee for the Elimination of Discrimination against Women (CEDAW) have committed themselves to the attainment of fundamental legal rights for women. The most fundamental challenge - one that UNDP intends to assist Governments and relevant institutions of civil society to address - is the complex issue of the economic and political empowerment of women. Attitudinal and other behavioural changes, it is believed, stand a greater chance of taking hold if economic and political empowerment is achieved. True empowerment in this context can take place only through the mainstreaming of women in economic production and decision-making at a variety of levels. This needs to be buttressed by legal provisions that guarantee their rights. In order to achieve this, UNDP programmes in this area of focus do not address women in isolation. Rather, they address gender roles, ensuring more effective participation and empowerment of women.

34. The Gender-in-Development Programme (GIDP) has developed, in collaboration with the Regional Bureaux, an overall strategy for mainstreaming gender concerns in country office activities. This strategy involves a focus on six thematic areas (governance, environment, poverty eradication and crisis situations, legal framework and statistics and data analysis). Several examples of actual programmes exist, which are given in the annex.

Focus area: Environmental regeneration

35. It is perhaps in the context of the legacy of the United Nations Conference on Environment and Development (UNCED) that strategies and approaches are best defined in the area of environmental regeneration. The UNDP niche in the follow-up to Rio has focused on support to countries in building capacities to supplement Agenda 21, in phasing out ozone-depleting substances in support of the Montreal Protocol, in land management and desertification control activities, in a global forestry initiative and in defining a UNDP approach to alternative and sustainable forms of energy as one of the most critical factors in the management of the environment.

36. The Sustainable Energy and Environment Division (SEED/BPPS) was established to support UNDP efforts to incorporate environmental concerns at the earliest possible stages of economic decision-making, as recommended under Agenda 21. It will assist in evolving strategies for sustainable energy, forestry, agriculture, biodiversity and other resources; in devising policies to increase the productivity of the stocks of ecological capital on which future economic development depends and to protect the environment both locally and globally. SEED is to promote vigorously the full implementation of Agenda 21 and other Earth Summit agreements and build on the foundations laid there. SEED's work is greatly facilitated by the recently established network of national programme officers recruited as sustainable development advisers.

Underpinnings of programme initiatives in the areas of focus

37. National capacity remains at the core of all four focus areas. UNDP assistance for the development of national capacity includes the reform of policies at the macro level thereby ensuring retention of qualified personnel, including fiscal polices, public administration law, civil service reform, including downsizing and the creation of professional incentives and more rational differentiation between salary scales. In certain instances, particularly in the interest of fostering the rehabilitation of countries emerging from complex emergencies, such assistance may even involve steps to assist national authorities with the establishment of functioning institutions of democracy.

38. Governance in terms of the establishment of effective decision-making structures at a variety of different levels is a crucial aspect of work on empowerment. A strategy paper entitled "Public Sector Management, Governance and Sustainable Human Development" was prepared by the Management Development and Governance Division of BPPS. The paper provides the conceptual framework for programmes dealing with governance in public sector management.

III. STRENGTHENING UNITED NATIONS COOPERATION FOR SUSTAINABLE HUMAN DEVELOPMENT

A. Strengthening United Nations coordination at the country level

39. At the UNDP global meeting at Rye, it was determined that four elements would need to be addressed in order to strengthen the resident coordinator system: (a) the allocation of financial resources specifically for the resident coordinator function; (b) the allocation of staffing resources specifically to support the resident coordinator in his/her functions; and (c) the need to make personnel and other essential resources available for the coordination of the United Nations system in the context of broader United Nations operations, particularly in complex emergencies, with the requisite rapidity and efficiency. An action plan with clear deadlines for strengthening the resident coordinator function has been prepared and implementation is under way.

40. Under the proposed framework for the next cycle, a total of 1.7 per cent of core resources will be allocated in direct support of the resident coordinator function. It is further proposed that 4.3 per cent of core resources be allocated in support of United Nations operational activities, ensuring that funds are available to mobilize the capacity of the United Nations system in support of coordinated programmes of action.

41. In its decision 93/35, the Governing Council approved the establishment of 41 sustainable development National Officer posts in addition to the existing Senior Economist posts to provide further substantive support to the resident coordinator.

42. The resident coordinator pool has been broadened to encompass candidates from the Joint Consultative Group on Policy (JCGP) agencies as well as from the Office of the United Nations High Commissioner for Refugees (UNHCR) and the United Nations Secretariat. Since January 1994, a total of six resident coordinators have so far been selected from the United Nations, the United Nations Children's Fund (UNICEF), the World Food Programme (WFP), the United Nations Industrial Development Organization (UNIDO) and the United Nations Conference on Trade and Development (UNCTAD). It is hoped that this will lead to greater understanding of the priorities of different agencies and an enhanced sense of ownership of the resident coordinator system on the part of the agencies.

43. Joint training of United Nations agency representatives and resident coordinators at the ILO Turin Centre has been stepped up. A total of 13 workshops have been held to date, with 63 staff from UNDP and 305 staff from other United Nations agencies being trained. Feedback received suggests that these workshops not only result in a greater sense of common mission but a sense of camaraderie which is often of crucial importance at the country level. The Disaster Management Training Programme sponsored by UNDP and the Department of Humanitarian Affairs (DHA) has proceeded apace, training personnel for United Nations and bilateral agencies and NGOs in the management of disasters.

44. The training of resident coordinators and other staff also continues to be performed under the Disaster Management Training Programme, strengthening their capacity to serve as humanitarian coordinators on behalf of DHA in conjunction with their resident coordinator function.

45. Under the Administrative Committee on Coordination (ACC) machinery, a new resident coordinator system statement was issued that considerably strengthens the role of the resident coordinator and clarifies the roles of agencies involved. The statement builds upon the work recently performed by UNDP in this area.

46. Agreement has been reached with the Department of Public Information for the resident coordinator to assume progressively the overall functions of the United Nations Information Centre (UNIC) Director, providing further and more effective integration of the United Nations system at the country level.

47. Under the overall umbrella of the resident coordinator, it is essential that the capacities of the United Nations specialized agencies be mustered effectively in sectoral coordination. In many countries already, resident coordinators have established sectoral subcommittees led by the relevant United Nations agency representative to ensure coordination at the sectoral level.

48. Finally, in the context of the Inter-Agency Standing Committee on Humanitarian Affairs, some progress has been achieved in ensuring the integrity of the United Nations system in the context of special operations in complex emergencies. This will need to be reviewed by the Economic and Social Council and the General Assembly. Much more probably needs to be done to ensure that the system functions with maximum effectiveness and that assistance delivered in the midst of emergency conditions lays the foundation for recovery, rehabilitation and long-term sustainable development.

B. Strengthening United Nations coordination at the global level

49. The decision of the Secretary-General to call on the Administrator to assist him in ensuring policy coherence and coordination of the United Nations operational activities has better placed UNDP to fulfil its second mission goal.

50. At the request of the Secretary-General, the Administrator has provided support to the Secretary-General on (a) the Agenda for development; (b) the Africa Initiative of the ACC; (c) planning and coordination of United Nations follow-up to global conferences. He has also participated as a member of the operations task force and has provided general advice to the Secretary-General on creating a degree of policy coherence and coordination in operational activities.

51. Considerable success has been achieved in increasing the clarity of respective roles within the United Nations system:

(a) A statement of principles was signed with the United Nations Environment Programme (UNEP), outlining respective roles and an intention to collaborate between the two organizations;

(b) A statement of principles was signed with the Food and Agriculture Organization of the United Nations (FAO) on food security, a central aspect of sustainable human development in many countries;

(c) The high-level task force between UNDP and the World Bank was revitalized, resulting in the ongoing negotiation of a revised statement of principles for collaboration between the two agencies. The task force has also resulted in the establishment of the basis for intensified collaboration between the two agencies in forestry and poverty alleviation. Collaboration on decentralization of government is also expected between UNCDF and the World Bank. Plans to proceed with joint programming in select countries is expected to begin in the coming year;

(d) Discussions on enhancing collaboration at the country level between UNDP and UNHCR on the reintegration of populations displaced by war are currently ongoing;

(e) The governance issues concerning the Global Environment Facility (GEF) have been resolved and the GEF Instrument has been approved, delineating the roles of UNEP, UNDP and the World Bank.

52. Following the evaluation of aid coordination and its effectiveness, arrangements for aid coordination are currently under discussion with the World Bank, revisiting the existing agreement between the agencies, with a view to making more effective use of existing coordination arrangements.

53. Following the conclusion of the International Conference on Population and Development, the Administrator was requested by the Secretary-General to oversee and coordinate the follow-up to the conference's programme of action in close collaboration with the Executive Director of UNFPA.

54. At the request of the Secretary-General, the Administrator is in the process of establishing inter-agency working groups to coordinate follow-up on the World Summit for Social Development. He has also established a task force under the chairmanship of the Associate Administrator for further strengthening the role of regional economic commissions. Mechanisms are in the process of being established - with collaboration between UNDP and the regional economic commissions for the coordination of United Nations activities at the regional and subregional levels.

55. Finally, in the Europe and Commonwealth of Independent States region, TSS-1 funds have been allocated specifically to facilitate the involvement of United Nations agencies in the planning and management of development. Several missions have been mounted to assist Governments in the preparation of their plans and programmes and to seek ways to mobilize resources for SHD and facilitation of their economic transition.

IV. STRENGTHENING INTERNATIONAL COOPERATION FOR SUSTAINABLE HUMAN DEVELOPMENT

56. Under the small, but active, Development Studies Programme (now Office of Development Studies), UNDP has sponsored a variety of forums, bringing together former and current leaders, development thinkers, scientists, economists and other eminent personalities to consider issues of current importance to global development, with particular emphasis on SHD.

57. The Human Development Report 1994 provoked extensive discussion prior to the World Summit for Social Development by focusing attention on issues of marginalization and empowerment and human security as well as potential resource compacts to generate funding for human development. It is clear that the hotly debated report did have an impact on thinking and discussion at the Summit itself.

58. Several proposals floated at international conferences for the mobilization and targeting of resources for development have been adopted to varying degrees by some member Governments. The 20/20 concept and establishment of a partnership facility for capacity development have both received attention. The introduction of a tax on speculative foreign exchange transactions as a source of funding for development has also drawn interest from several countries and is now being studied more systematically. Much additional study would need to be conducted before these concepts can be implemented.

59. UNDP has worked extensively with UNICEF, UNFPA, the Department for Policy Coordination and Sustainable Development (DPCSD), the Department for Economic and Social Information and Policy Analysis (DESIPA), the Department of Public Information (DPI) and other departments and programmes of the United Nations in providing support to the Secretary-General and member countries in their preparations for the International Conference for Population and Development and the World Summit for Social Development. Using its network of country offices, UNDP has assisted many programme countries in the preparation of their positions at these global summits. This has been achieved through the commissioning of issue papers, national workshops and conferences. UNDP is also co-sponsoring the preparation of Habitat II through the United Nations Centre for Human Settlements (UNCHS).

60. UNDP supported the preparation of several dozen national reports on the status of women as part of its contribution to preparations for the Fourth World Conference on Women, most of which were based on gender analysis, and the collection of gender-disaggregated data.

61. At the request of the Secretary-General, UNDP will also be intensely involved in follow-up to these global conferences, attempting to bring together the capacity of the United Nations system in support of programmes designed to meet conference objectives.

62. In 1994, in collaboration with the Inter-American Development Bank and member Governments of the region, UNDP co-sponsored development-related preparations for the Summit of the Americas, which served to map out areas for

enhanced regional cooperation and development and movement towards greater participation in development planning and management.

63. In the Asia and Pacific region, UNDP sponsored a regional meeting of development ministers in Kuala Lumpur, Malaysia, to facilitate dialogue on strategies for collaboration and for development in the region.

64. UNDP was heavily involved in the preparations of the Convention on Desertification Control and the Convention on Climate Change. Both SEED and UNSO have been heavily involved in this process, assisting with both the preparation of country positions and the convention itself.

65. In 1994, the Administrator participated as the keynote speaker in the Development Assistance Committee (DAC) seminar on capacity-building and technical cooperation. UNDP was subsequently accorded permanent observer status in DAC. It is hoped that the collaboration that will result will lead to a better common understanding of development approaches and priorities.

V. STRENGTHENING THE CAPACITY OF UNDP TO PERFORM ITS NEW MISSION

A. Strengthening UNDP capacity at the country level

66. The greatest strength of UNDP continues to be its delivery capacity, with 85 per cent of its entire staffing complement located in its country offices. A systematic effort has been under way to address the structure and processes of the organization in order to equip it better to fulfil its new mandate.

67. In the ongoing effort to strengthen country-level representation, no fewer than 38 new, first-time resident representatives have been appointed since June 1994. These appointments reflect a batch of carefully selected individuals who are expected to strengthen the management of country offices and enable UNDP to provide more effective leadership in the coordination of United Nations operational activities.

68. In order to increase the efficiency and effectiveness of UNDP programmes at the country level, 1994 and early 1995 saw the adoption of a number of measures further empowering country offices to implement programmes in line with the new priorities. 1994 saw the extensive implementation of the new $3 million level of financial authority delegated to the regional bureaux, accompanied by revised procedures for the Programme Review Committee. Resident Representatives were authorized to approve projects of up to $1 million without referring to headquarters. Administrative procedures were further decentralized with the allocation of procurement authority to resident representatives up to a level of $100,000.

69. In line with the new requirements, guidelines for the programme approach were issued along with a new comprehensive format for programme support documents and programme support implementation arrangements.

70. The new involvement of UNDP in SHD in accordance with the "Initiatives for change" report requires the mainstreaming of substantive capacity in the operations of UNDP. Efforts are currently under way to look at ways in which existing posts can be redeployed to provide country offices with ready access to substantive capacity in multidisciplinary areas that cannot otherwise be accessed from the United Nations specialized agencies but are nevertheless required for the implementation of programmes in the new areas of focus. As a part of this process, steps are under way to review further the structure of country offices and ways in which they can be reinvented to reflect the nature of their programmes better and to increase efficiency and effectiveness.

71. In the context of country office support to national execution and contingent on the establishment of local contracts committees, resident representatives have been accorded authority to approve contracts or series of contracts involving total commitments of up to $100,000.

72. A wide range of administrative business processes ranging from travel to local recruitment and local procurement have been decentralized fully to country offices with outsourcing practices being adopted in a number of cases in order to ensure greater cost effectiveness. In order to enable this, even more rigorous and intensive auditing procedures have been instituted by outsourcing the audit function to established accounting firms with regional or subregional headquarters (e.g., Price Waterhouse in Asia). Country offices have also been empowered to redeploy funds between budget lines under the administrative budget within strict limits in order to ensure efficient use of resources.

73. UNDP has become the first United Nations organization to be accepted as a member of the Society for Worldwide Inter-Bank Financial Telecommunications (SWIFT), a financial communications system using leased lines owned by banks. This has improved cash management capabilities while resulting in savings of $250,000 per year in general operating expenditures, as well as reductions in staff costs.

74. Improved reporting arrangements have greatly reduced the cost of preparing and dispatching documents, yet have at the same time made managers more accountable for their activities.

75. A total of 13 countries are in the process of being selected as centres of experimentation, where trials of new monitoring and evaluation procedures and performance indicators based on programme impact are being run with a view to raising both substantive and administrative accountability. The objective is replication based on lessons learnt.

76. Further clarification of implementation arrangements for projects and programmes has enabled UNDP to take a more active role in supporting national execution and this has enabled the increasingly widespread application of national execution. Of critical importance has been the clarification of procedural arrangements enabling UNDP to contract NGOs directly for programme implementation.

77. Extensive work has gone into rationalizing the relationship of the United Nations Office for Project Services (UNOPS) to UNDP and the rest of the United

Nations system and the new arrangements are expected to enable more efficient use of its capacity in the implementation of the new mission of UNDP.

B. Strengthening UNDP capacity at headquarters

78. The evaluation function of the former Central Evaluation Office has been further strengthened by linking it directly to corporate decision-making and strategic planning. The Office of Evaluation and Strategic Planning (OESP) has begun to reinforce accountability and reinforce the process of change management with assessments of experience gained.

79. The Bureau for Programme Policy and Evaluation has been reconfigured and renamed the Bureau for Policy and Programme Support (BPPS). Several divisions within BPPS have also been reconfigured to reflect better the areas of focus in the new UNDP mission (Divisions for Social Development and Poverty Elimination, Sustainable Energy and Environment, Management Development and Governance and Science, Technology and the Private Sector). In order to gain a position of intellectual leadership, the expertise of UNDP has been strengthened by acquiring a limited number of carefully selected international experts under appointments of limited duration (ALD) arrangements.

80. The Office of the United Nations System Support and Services (OUNS) has been created to strengthen and coordinate UNDP efforts to fulfil its second mission, namely that of helping the United Nations family become a unified and powerful force for human development.

81. The Office of Development Studies (ODS) builds on what was the Development Studies Programme to monitor global policy trends and to provide policy analysis of options for the international community involved in international cooperation for development.

82. The Division for External Affairs has been strengthened and upgraded to the Bureau for Resources and External Affairs (BREA). Particular emphasis has been placed in the strengthening of BREA on enhancing the resource mobilization capacity of the organizations, its media and public affairs capacity on the creation of a specific focal point for external policy matters.

83. A staff management working group, composed of UNDP staff from the field and headquarters, reviewed the role of General Service staff in the organization. Implementation of some of their recommendations has already commenced within the confines of broader system constraints.

C. Retraining personnel and reinforcing accountability

84. Since the UNDP global meeting in Rye and the annual session 1994 of the Executive Board, virtually all of the bureaux and divisions of UNDP have held retreats to internalize the implications of the new UNDP mission and to develop workplans for implementation.

85. Retreats have also been held on specific topics such as capacity-building, public sector management, environmental management, and information systems to increase the understanding of staff of issues involved and to conceptualize possible approaches further.

86. Gender training continues to be a key component of UNDP gender mainstreaming strategy. GIDP, in collaboration with the Training Section, has developed a multipronged approach to training, reflecting the wide range of training needs in this area.

87. The Management Skills Programme has continued apace as has the training for Junior Professional Officers. Staff have also benefited from training at the ILO Turin Centre in order to improve their capacity to manage the resident coordinator system.

88. Procedural rules have been adjusted, allowing staff with recognized potential to take partially paid sabbaticals in order to undertake formal training to enhance their capabilities to assist UNDP in the implementation of its new mission.

89. Managerial and financial accountability is being further enhanced through the greater clarification of responsibilities and the rationalization of procedures. The strengthening of information systems and the establishment of wide area networks linking the UNDP network of offices and new information systems is expected not only to improve monitoring further but has also streamlined UNDP operations considerably, enabling the reallocation of personnel to other functions. (Examples include the databases established for finance and budget management, and the management of procurement at the country level.)

VI. THE CONSTRAINTS

90. Executive Board decision 94/14 calls for very fundamental reforms of UNDP and its operations. The degree to which this has taken place is in part dependent on the overall environment. This environment has been characterized by declining Official Development Assistance (ODA) and, in particular, severe cuts to funding through multilateral channels, and has placed pressure on UNDP to show rapid results. The call for added substantive focus and overall adjustment in the UNDP mission has also come towards the end of the fifth programming cycle, when uncommitted resources are scarce. Indeed, total indicative planning figure (IPF) approvals as of 1 July 1994 amounted to $2,361 million against available entitlements of $2,933 million. With an existing pipeline of $468 million, this left just $84 million available for new programmes (see fig. 2). A further $1 million was allocated from the Special Programme Resources (SPR) for each region for promotion of sustainable human development. Unutilized TSS-2 resources were re-allocated to TSS-1 and used to foster SHD initiatives in the Europe and Commonwealth of Independent States region.

91. New and innovative programme development has therefore been accomplished almost exclusively through the implementation of relatively small-scale pilot

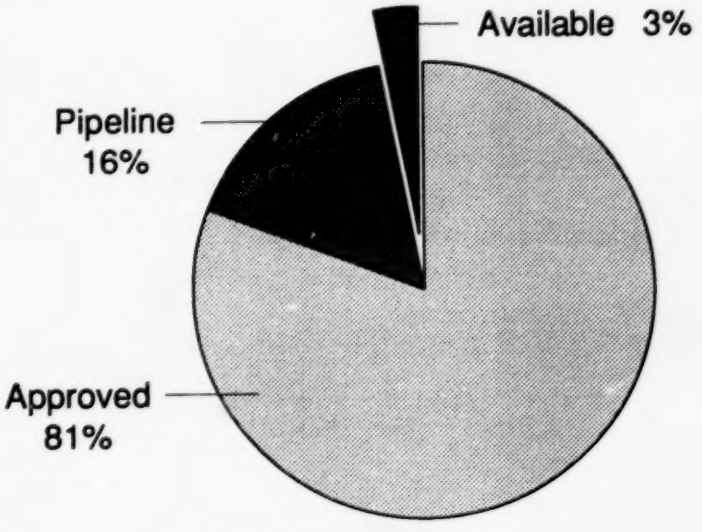
programmes and projects, with a view to leveraging additional non-core resources in the future, and through the review and reallocation of funds under ongoing country programmes at their mid-term. Thematic and other non-core resources have also been used where available.

92. Because of cuts in core contributions (see fig. 3), and in the context of a continuing drive to promote rationalization of business functions and overall cost-efficiency, the above changes have also been introduced in the context of severe budgetary restraint. Between the 1992-1993 and the 1994-1995 biennial budgets, a total of $53.6 million was cut from the administrative budget. Cuts have come primarily at the cost of staff positions, both at headquarters and at the country level. A total of 153 staff (26 per cent) have been cut at headquarters and 302 (8 per cent) have been cut in the field in line with the need of UNDP to maintain its role as a decentralized, country-based organization. Included in the cuts was a 15 per cent reduction in the number of Assistant Administrator and D-2 posts.

93. This has placed considerable added strain on the organization. UNDP has reached a critical juncture. At the present time, in view of continued resource uncertainties, a process is under way to downsize the organization further. These additional cuts are being undertaken bearing in mind the priorities established under 94/14, seeking to limit damage to the capacity of UNDP to fulfil its new mission to a minimum. Considerable attention will need to be paid to ensuring that UNDP is re-established on a sound financial footing, enabling the fully fledged programme shift and the operationalization of SHD.

94. It is also essential that structural and process changes within the organization be intensified and brought to closure during the course of 1995-1996 in order to re-establish stability and enable full emphasis on programme development and implementation with enhanced effectiveness and efficiency.

Figure 2. Status of fifth cycle IPF resources as of 1 July 1994



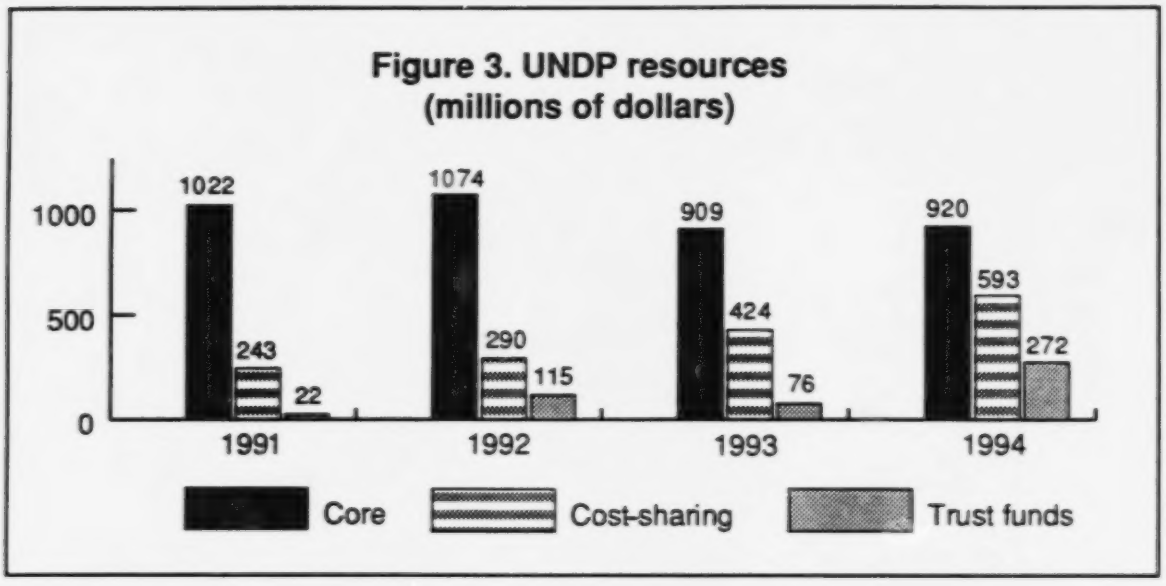


Figure 3. UNDP resources
(millions of dollars)
1000
500
0
1022
243
22
1074
290
115
909
424
76
920
593
272
1991
1992
1993
1994
Core
Cost-sharing
Trust funds

VII. THE IMMEDIATE FUTURE

95. The management of necessary change has pushed UNDP in many directions - some welcomed and others not so welcomed. It has required, for example, that UNDP continue to adjust and focus its programmes in the countries it serves, shifting its work upstream to broad policies and programmes, reducing the proliferation of isolated projects and addressing difficult goals such as providing the poor with decent jobs and even difficult concepts like good governance and implementation capacity. It has required:

(a) Upgrading the capacities of country offices;

(b) Decentralizing and empowering national and General Service staff;

(c) Resolving the issues of UNOPS and integrated offices;

(d) Bringing the United Nations Capital Development Fund, the United Nations Development Fund for Women, the United Nations Sudano-Sahelian Office, the United Nations Volunteers and the Special Unit for Technical Cooperation Among Developing Countries into closer synergistic relationship with the main line of the reformed programme;

(e) Establishing closer alliances and partnerships with United Nations funds, programmes, departments and specialized agencies, including its partners in emergency relief;

(f) Stopping the further loss of core resources and accountability;

(g) Becoming more efficient, slimmer and streamlined;

(h) Restoring staff morale and confidence in the midst of downsizing and belt-tightening; and

(i) Strengthening the general development and management of the organization's human resources.

96. The coming year is a crucial one for UNDP. It is essential not only to get the organization on a stable financial footing but to complete structural and procedural changes in order to enable it to fulfil its mission. Five key goals have been drawn up for the organization in 1995/96:

Goal 1: Strengthening country offices for the implementation of SHD: This involves providing access to substantive capacity and further empowering country offices in the implementation of programmes;

Goal 2: Resource mobilization and constituency-building: An aggressive and diversified resource mobilization campaign supported by a vigorous and articulate public-awareness drive seeking non-core resources;

Goal 3: Preparation of the 1996-1997 biennial budget strategy and fifth cycle successor arrangements: Assisting member countries in determining appropriate arrangements for the next programming period and the preparation of a budget strategy that undertakes the necessary downsizing in a manner which compromises the organization's ability to fulfil its new mission to a minimum degree;

Goal 4: Improving management accountability and information systems: Strengthening financial, management and programme accountability, establishing improved systems for monitoring performance and rationalizing responsibilities. Developing information systems that enable effective monitoring of UNDP performance in fulfilling its objectives in the areas of focus;

Goal 5: Improving support to the United Nation system and fulfilling the role of UNDP continuum: Continuing to broaden UNDP partnerships in the United Nation system. Supporting the ongoing discussion on the Agenda for development, relations with the Bretton Woods institutions and specialized agencies, new initiatives for Africa, and past and future United Nations conferences and conventions providing entry points to strengthen both UNDP and its partnerships inside and outside the United Nations.

VIII. EXECUTIVE BOARD ACTION

97. The Executive Board may wish to:

Take note of the present report.

Notes

1/ In particular, decision 94/14 built on resolutions calling for UNDP to: focus its programmes; maximize the use of national capacity through national execution; develop and promulgate the programme approach; strengthen the resident coordinator system; and maximize the use of the overall capacity of the United Nations system in the planning and implementation of development.

Annex

EXAMPLES OF PILOT PROGRAMME INITIATIVES ADDRESSING THE NEW AREAS OF FOCUS OF UNDP

1. These select examples of programme initiatives reflect aspects of the approach adopted in each of the areas of focus. Some are programmes initiated in the past nine months since the approval of "Initiatives for change". Others are activities initiated earlier and under implementation in 1994-1995, which demonstrate successful approaches which could be replicated under the next programming cycle.

Area of focus: Poverty alleviation

2. Learning from the successes of community-based rural development programmes such as the Area Development Schemes in Sudan and the community-based reintegration programmes for the war displaced in Central America and Cambodia, similar programmes were launched in Mozambique, and initiated in parts of Somalia. Because of their flexible fundamental nature, which is the promotion of community-based planning and management, such schemes could potentially be replicated under a wide variety of circumstances and conditions. Based on the creation of development management capacity at the community level, these programmes have promoted private production, income-generation, environmental management and the economic integration and advancement of women. More specifically, by providing communities with access to essential resources, they are enabling communities to overcome critical constraints to their development and are fostering sustainable human development on their own terms. Building as they do on the social fabric and traditional institutions of civil society, these schemes have proved effective even in the post-conflict situations cited above. As in the case of the earlier schemes, effective outreach is achieved through a variety of modalities, including community-based traditional institutions, UNV specialists, NGOs, small private contractors, and United Nations specialized agencies.

China

3. China's "8-7" programme aims - in seven years - to raise the living standards of the 80 million Chinese citizens who still live below the poverty line. A part of this programme is a poverty alleviation initiative targeting six poor counties in south-western China, supported by UNDP and several United Nations specialized agencies. It emphasizes income-generation, health and education, and features a participatory approach. UNDP is supporting the work of the China Community Corps in identifying poor households and organizing members into self-help groups. WFP is contributing food aid to support terracing and other sustainable agricultural practices. UNICEF provides maternal/child health care and primary education. The International Fund for Agricultural Development (IFAD) provides for rural credit.

Uganda

4. Six community groups formed in Katwe, a shanty town on the outskirts of the capital of Kampala, Uganda, developed income-generating projects and used the proceeds to provide the village with safe water and sanitation. The main drain was reconstructed and a low-cost ferro-cement technology is being employed to produce secondary and tertiary drains. These have diverted waste from an area of approximately 11,000 square metres. Access to the public water supply was made available through standpipes, on a cost-recovery basis, providing safe water on an economically sustainable basis to approximately 180 households. Vault latrine technology was adapted to the high-water level areas using a sealed waste container. A manually operated portable sludge pump is being developed to serve highly congested areas. A manufacturing process recycling organic waste into fuel briquettes was developed. Because these briquettes burn twice as long as conventional ones, sales increased 40 per cent during a five-month period, providing income to women's groups. Revolving funds are provided for the investment in technology.

Madagascar

5. In Madagascar, growing fish in irrigated rice fields can provide near-subsistence farmers with extra food and income. However, fish production on the high plateau rice fields plunged from 880 tons a year in 1960 to 230 tons in 1990 with dramatic effects on some of the poorest communities in the country. An aquaculture development strategy was devised to promote fish farming and marketing techniques among 125,000 rice farmers. Government production of fingerlings was phased out and supplanted by 81 private fingerling producing farms. Fish production rose to 1,600 tons a year, a sevenfold increase. The programme has improved rural nutrition, incomes, and living standards.

Namibia

6. Before Namibia gained independence in 1990, inferior housing was all that was available for the majority of the country's people. With UNDP/UNCHS support, the Government has devised and is implementing a national housing programme that supports efforts of the lowest-income groups to build their own houses. Some 3,380 families have been able to purchase plots, construct new homes or improve old ones through a revolving loan programme. The unique feature of the "Build-Together" national housing programme is that it provides the opportunity and freedom for a family to build its own house according to individual needs, priorities and resources. The average loan to meet the housing needs of a low income family is $3,600.

Togo

7. In Togo, as part of a programme to promote small-scale, income-generating and community development activities, 7,247 participants were taught basic reading, writing and mathematical skills. There were 312 literacy centres established and 580 local literacy teachers trained. The project was supported by 48 UNV District Development Service (DDS) officers, who helped to establish rural-community development activities and income-generating projects. Cooperation with "Trickle-Up", a United States-based NGO, resulted in

disbursement of $11,800 to 118 village associations, with a total membership of 490 women and 385 men.

El Salvador

8. In El Salvador, some 7,000 farmers in the Cabañas and San Vicente departments have benefited from UNDP support to the Project Execution Unit of the Ministry of Agriculture. Of these, more than 2,000 small agricultural producers have received credits totalling $1.1 million. Approximately 2,500 Project Execution Unit technicians and small producers have been trained in sustainable agricultural techniques, entrepreneurial development and credit management. Twenty-six demonstration farms have been established to carry out research and extension activities. Six pilot commercial groups have been established, resulting in the farmers paying lower prices for seeds and fertilizer and receiving higher prices for their produce. Many farmers have diversified their production from basic crops and are now producing vegetables and fruit.

Mexico

9. With residents performing the ancient tradition of tequio, or contributing their labour to community projects, 980 villages in the poor southern Mexican state of Oaxaca were helped to meet their basic water needs. Each community decided on the location and type of water supply it needed. More than 2,760 sub-projects were undertaken to supply water for household consumption, livestock and irrigation. The low-technology, low-cost projects were built by the communities themselves with the project contributing pipes, cement, reinforcing rods and wheelbarrows. The second stage of the UNDP programme, called Lluvia, Tequio y Alimento (rainfall, community work and food), was to help the communities with productive activities, including erosion control, aquaculture, planting fruit trees and marketing locally produced crafts. The state government contributed $11 million and WFP donated food to the participating communities. Many aspects of the programme, particularly the participatory approach, were adopted by the Federal Government in its $2.5 billion-a-year poverty reduction programme, "Programa Nacional de Solidaridad".

Lesotho

10. To improve rural incomes and speed fresh produce from producers to consumers in Lesotho, UNDP helped the Government to develop a market information system; strategies to overcome marketing constraints; mechanisms for regulating fresh produce imports; and procedures for the efficient marketing of eggs, poultry and milk. It trained marketing staff in a range of subjects, including data collection, analysis and use; crop monitoring; production planning; identification of market constraints; and planning for market extension.

11. These and other innovative poverty elimination programmes are currently being piloted. Subject to the availability of funding under the next programming cycle, they will be extensively replicated, providing a very real focus to UNDP operational activities at the country level.

Area of focus: Employment generation

Ethiopia

12. In Ethiopia, the Government has formulated a national programme on human resources development and utilization that looks at both the supply and demand for human resources. The employment and livelihoods subprogramme has set a target for creating 24,000 additional jobs per year over five years and focuses on areas such as the informal sector, small and medium-scale enterprise promotion, agricultural wage employment and rural on- and off-farm employment.

Seychelles

13. In the Seychelles, the national human resource development programme has as its objective increasing labour productivity through the creation of an enabling environment and incentives to the private sector and through reforms leading to greater capacity and increased efficiency in the public sector.

Chad

14. In Chad, with support from UNDP, Volunteers in Technical Assistance (VITA) extended a USAID-sponsored programme successfully set up in the capital of N'djamena to the town of Moundou. VITA offers clients credit and advice on management, marketing and bookkeeping. Doubling initial targets, in Moundou the project granted 900 loans, totalling over $700,000, for 73 small, medium and micro enterprises. This created 1,315 new jobs. More than half the loans went to women. The UNCDF now plans follow-up investment of up to $1 million.

Comoros

15. In Comoros, development of the private sector was an integral part of the structural adjustment programme adopted by the Government in order to restore the economy. A fund was created to finance and guarantee credits for entrepreneurs. A centre was also created to help entrepreneurs to develop ideas that would attract financing from the fund, or from the Development Bank of the Comoros. The centre also provides training and technical follow-up for new entrepreneurs, as well as technical assistance to help existing enterprises. So far, 48 enterprises have been created, generating 190 jobs, and 200 entrepreneurs have received training. The centre has accepted 465 plans for further development.

Guinea

16. A three-year project in Guinea, for which UNDP is providing $2.2 million, aims to establish 100 small and medium-size enterprises; strengthen the revolving loan fund for small and medium sized entrepreneurs set up through earlier UNDP support; and develop a viable project evaluation, monitoring and follow-up unit within the Office of Private Investment Promotion (OPIP). Now at its mid point, the project has already identified 356 potential enterprises. The credit scheme has been redefined and a reimbursement rate of 100 per cent secured on loans approved, 40 per cent of which were made to companies managed and owned by women. Within OPIP, the project has created and trained a

well-integrated and confident group of professionals able to assess projects, give technical advice and management guidance to entrepreneurs and monitor and evaluate existing projects. Based on the success of this project, $7 million has been mobilized, mainly from the African Development Bank, for a new project to promote entrepreneurship among women and strengthen their representation in the modern private sector. The World Bank, the European Union, France and the German NGO, Friedrich Ebert Foundation, have all shown interest in participating.

Cambodia

17. After 20 years of war, economic isolation and central planning, Cambodia is one of the poorest countries in the world, with annual per capita income estimated at $150. Among the most vulnerable groups are women, who make up over 60 per cent of the adult population, head up to 35 per cent of households and constitute the bulk of the labour force. Many depend on small-scale income-generating activities in the informal sector but earnings are limited by their lack of literacy, vocational and business skills and capital. The UNDP-funded Employment Generation Programme covers vocational training, labour-based infrastructure rehabilitation, and small enterprise and informal sector promotion. Five local economic development agencies (LEDAs) set up under the latter component have come together as an officially recognized indigenous NGO, the Association of Cambodian Ledas (ACLEDA). ACLEDA implements one programme for small-business development and another aimed at women engaged in micro business, which provide entrepreneurs with assistance, training and credit. Over 18 months, it conducted 108 small-business training programmes for 1,786 trainees, of whom 60 per cent were women, and over 1,000 of whom (68 per cent women) later started or expanded a small business. At the same time, nearly 2,000 women with micro businesses received credit from ACLEDA's revolving fund, which showed a recovery rate of over 95 per cent. Preliminary assessments indicate that ACLEDA's clients in micro business have increased their incomes by an average of 45 per cent and clients in small business by an average of 65 per cent. Based on new jobs generated and average family size, an estimated 25,000 low-income people now enjoy a higher standard of living thanks to the programme.

Kenya

18. In Kenya, training and credit schemes are critical factors in finding work for the country's disabled, who are expected to number one million, in the 15-45 age group, by the year 2000. Eleven production workshops and four sheltered workshops for the mentally disabled have been launched. A total of 168 youth polytechnics have integrated 915 disabled persons, including 393 women, into their programmes, providing training in business management skills. A major national bank agreed to launch a loan scheme to help entrepreneurs with disabilities. Loans have been provided to 241 disabled entrepreneurs, including 98 women, to launch their own businesses.

Madagascar

19. In 1990, Madagascar's centrally planned economy was replaced by a free-market oriented economy. After 15 years of socialist rule the private sector was still very weak. Foreign companies were needed to form partnerships and joint ventures with local entrepreneurs, bringing with them capital, technology, quality control procedures, maintenance and access to markets. Initially, 102 viable investments were identified and promoted through an investment promotion services network and by other organizations. The country's first International Industrial Forum, in April 1994, attracted 307 foreign participants from 16 countries. Agreements were signed relating to 55 of the 102 investment opportunities, which are expected to bring in $50.3 million and create 4,000 jobs. Eight months after the forum, eight agreements have been finalized, which resulted in investments totalling $12 million and the creation of about 700 jobs.

India

20. UNDP supports a $46 million programme to encourage new uses for jute fibres in India that promises to improve the economic well-being of some 20 million persons whose livelihoods depend mainly on jute production or processing. It is developing new uses for jute fibres in the manufacture of textiles, as well as in the creation of new composites with properties superior to many products made of wood or plastic. The relaxation of regulations prohibiting the mixture of jute with cotton and other fibres has been a main achievement. New applications for jute include home furnishings, apparel, building materials and consumer and industrial products - for example interior moulded panels for Audi, Mercedes, BMW and Cadillac automobiles.

Grenada

21. The Small Enterprise Development Unit (SEDU) of Grenada provides consultancy and referral services to help small businesses to get started. Some 250 potential entrepreneurs were trained in project preparation, marketing, finance, accounting and risk identification. Proposals for 140 new small businesses were received. So far, 20 successful enterprises have been established through SEDU, helping to create employment opportunities for some of the 1,500 school graduates who enter the job market annually. The unit was instrumental in establishing a government small-business policy, a credit guarantee scheme and a soft loan window. Based on the success of SEDU, UNDP has agreed to help establish a regional SEDU project for all member countries of the Organization of Eastern Caribbean States.

Mexico

22. Technical cooperation and a revolving fund in Mexico have helped develop more than 300 small and medium-sized firms that now employ some 5,200 workers. In addition to the revolving fund, financial resources have been provided for international consultants, international market studies and training abroad. The firms have been helped to maintain a competitive position, enter the export market, solve technical, environmental and management problems and develop new products. Over seven years, more than 93 per cent of 367 proposed projects have

received assistance. Fields covered include petrochemicals, food, metal working, textiles, footwear, handicrafts, furniture, jewellery and flower growing. Total yearly sales of the enterprises concerned are estimated at about $100 million.

Peru

23. In 1991, the Government of Peru decided to privatize more than 200 state enterprises that were producing deficits of $3.5 billion a year. With UNDP support, the national privatization Programme now manages $89 million in funds from the World Bank, Japan and Peru's Privatization Fund. In addition, UNDP has helped to establish a legal and institutional framework for privatization, developed capacity within the government to promote the sale of state assets and created a mechanism to help displaced workers to find new jobs. Each time a public enterprise is sold, two per cent of the proceeds are placed in the Privatization Fund and the money is used to help in the sale of another state firm. So far, 49 state enterprises have been sold and 12 liquidated. The process has generated over $3 billion in revenues from the sales, and an additional $3.4 billion in investment commitments.

Belarus

24. Job creation, environmental protection, energy conservation, private sector development and peace and security in central Europe are the goals of UNDP and International Labour Organization (ILO) support to Belarus. At the heart of the former Soviet Union's western defence apparatus, Belarus was the most heavily militarized country in the world at the time of the collapse of the USSR. Since then, the country has removed strategic and tactical nuclear weapons, closed scores of bases and demobilized many thousands of military personnel, transferring to local authorities the responsibility of providing them with housing and basic services. UNDP, ILO and the United Nations Economic Commission for Europe are assisting a major national programme to convert the former military bases to civilian industrial and commercial uses; promote employment of demobilized personnel; develop small and medium-size private businesses; and develop energy conservation measures. The project has begun with a detailed survey of former bases to determine their potential uses; drafted a programme of incentives for investments; and carried out audits related to energy conservation and efficiency. It is organizing a conference that will present the programme to local and foreign investors in March 1995.

Focus area: Advancement of women

Bangladesh

25. In Bangladesh, following the preparation of a 1994 national human development report entitled "Empowerment of Women", the UNDP Country Office prepared a gender-in-development action plan for 1994-1995 as part of the preparation for the Fourth World Conference on Women, including staff training, reporting and programming, allocation of special programming resources, publicity and advocacy and monitoring. A programme was designed which undertook a comprehensive review of national gender-in-development goals and sought to mainstream them in the fourth five-year plan. A further pipeline project has

been prepared to develop and disseminate analytical materials and a set of services to integrate gender into policy formation as a back-up to national mechanisms. Building on an existing programme, a cumulative total of 9000 rural poor were provided with credit and training in artisanal skills, management, basic literacy and social awareness. Women comprised approximately 60 per cent of the target beneficiaries.

Mozambique

26. In Mozambique, a revolving fund and training programmes were established to help urban women to improve their living conditions. A total of 150 women benefited from training in areas including accounting, micro-project management, embroidery, sewing, cooking, hairdressing and poultry raising. In addition, loans, averaging $1,200 each were made to 42 small-scale entrepreneurs.

Nepal

27. Eighty-eight per cent of Nepal's women are illiterate and largely excluded from the monetized economy and employment outside the home. But income-earning opportunities for them were identified in tourism, the country's third largest foreign exchange earner and an industry that can bring economic growth to remote areas. UNDP provided skills and business-related training to 435 women already operating enterprises in tourist areas, as well as to 246 potential new entrepreneurs. The first group increased profits by 20 per cent and the number of people they employed by 26 per cent while over half the potential entrepreneurs started new businesses after being trained. Along with incomes, the status of the women entrepreneurs, and their role in decision-making within and outside the family increased. There was also a favourable impact on the environment, as trainees established eco-friendly lodges using fuel efficient stoves and solar energy. Nepali personnel trained during the project are now able to replicate its methodology in other programmes.

Argentina

28. Improving the health and nutrition of low-income mothers and children in the poorest areas of Argentina is the aim of the Government's mother and child nutrition programme, launched in 1993. UNDP provides support to the coordination unit of the five-year, $150 million programme. Provincial implementing units have been created and are fully operational in coordinating the health, education and nutrition components of the programme. More than 1,650 individuals have been trained in the management of social care programmes and in issues related to health and child care. About one seventh of a $100 million World Bank loan for the mother and child nutrition programme is being used to support the coordination unit.

Ecuador

29. Lower-income women and children in marginal urban communities in Ecuador have been helped to improve their living standards through small-scale income-generating projects and expansion of housing and basic service coverage. Projects have been undertaken in the slums of Quito, Guayaquil and Cuenca. In Guayaquil's Trinitaria Island, the community is planting trees and vegetable

gardens, and using the savings of its members to install lighting and street signs and clean the main thoroughfares. They have improved their housing, sanitation and water supply, built fences and begun construction of two elementary schools. A factory producing piñatas has been established to provide income, particularly for women.

Turkey

30. In 1993, the Government of Turkey launched a programme for the enhancement of women's participation in the nation's development, with support from UNDP. The programme has created national awareness of the inequities between men and women through active pursuance of gender-disaggregated data preparation and dissemination. One example: women hold only 3 per cent of all administrative and managerial jobs. Training was conducted on such topics as women and employment, women and entrepreneurship and women and violence. Women's shelters were supported. National police were trained through workshops to deal with women in distress situations. A master's degree is being offered in gender studies programme at a local university in cooperation with the State Ministry for Women. As a result of the programme, the Ministry has obtained $1.5 million from the World Bank for employment development programmes for women.

Focus area: Environmental regeneration

Madagascar

31. In Madagascar, to redress soil and water loss due to extensive deforestation, overgrazing and bush fires, rural communities were trained in natural resources management. Three watershed protection programmes were launched and government agencies were trained in watershed planning. Several donors are using this approach as a reference point for their own projects.

Namibia

32. The seas in the 200-mile zone off the coast of Namibia are capable of sustaining large stocks of fish. To regulate fishing in order to rebuild stocks depleted before independence by foreign factory vessels, help was provided in drafting new legislation. The capacity of the Ministry of Fisheries and Marine Resources in management, planning and policy making was strengthened, and new strategies for granting fishing rights and quotas were implemented. The fisheries conservation policies have led to an increase of more than 50 per cent in hake and pilchard stocks since independence, allowing regulated total catches of these species to be doubled. In 1994, the contribution of fisheries to gross domestic product grew by 35 per cent. Fish exports are valued at $370 million, about 25 per cent of total exports. Employment in the sector is increasing at around 1,500 new jobs a year. The fishing companies, which previously were largely foreign owned, are now almost all controlled by Namibians.

China

33. Developed with UNDP support, and with the involvement of over 50 government agencies, research institutes and public organizations, China's Agenda 21 strategy is a comprehensive national development plan that aims to balance

effectively protection of the environment and natural resources with sustained economic growth distributed equally to different regions of the country. UNDP also helped to organize a donor conference during which the Government presented 62 high-priority projects covering such areas as sustainable agriculture; cleaner production; use of clean energy; conservation and sustainable use of natural resources; pollution control; population growth; and an improvement in the status of people's health, education and general welfare.

Cuba

34. Back-to-back waste recycling processes have resulted in better feed for up to 2,000 pigs and a cheap energy source for a Cuban community. This integrated environmental protection system was developed by the Ministry of Agriculture's Pig Research Institute on the outskirts of Havana. A food digester, which converts waste from restaurants, slaughter houses, fish processing centres and other plants into pig feed, was built on the basis of technology transferred by UNDP. The feed was turned back into waste by the pigs, and this waste, in turn, was automatically fed into biogas digesters. The gas produced is used to run the waste food digester, the Institute's central kitchen, and is piped into nearby rural homes, replacing kerosene, coal and wood formerly used for cooking. The liquid waste from the biogas digester is fed into a pond used to grow protein-rich algae, which is periodically farmed, ground and fed back to the pigs. The solid waste is used to produce high-quality organic fertilizer.

Panama

35. In Panama, investments, incentives, participatory consultations and education are helping slow the stripping of 70,000 hectares a year of forests that cover 40 per cent of the nation's land mass. The capacity of the National Institute for Renewable Natural Resources was strengthened to help it to identify and establish ways of mobilizing technical, economic and financial resources. New laws were approved providing environmental education and giving incentives for reforestation. National support for the tropical forest action plan is being promoted. Active participation of indigenous and farmer communities, NGOs, women's organizations and the private sector in formulating national resource policies has been encouraged by the formation of new groups. These include the National Advisory Board on Gender and Forest Development, the House of Forest Entrepreneurs of Panama, the Indigenous Technical Consultative Committee and the Committee of NGOs. Twelve new projects in the forest sector are being executed and another eight are under negotiation.

Venezuela

36. An environmentally sustainable development model was needed for the Venezuelan state of Amazonas to redress the disorganized exploitation of its vast rain forests and preserve their rich biodiversity. Several studies and proposals were developed for the sustainable use of the rain forests, promotion of new crops and the protection of certain animal species. The Amazonian Centre for Environmental Research "Alexander von Humboldt" created genetic banks of local vegetables. Extensive data on natural resources and potential tourist attractions were collected and systematically stored. Personnel of the SADA-AMAZONAS, development agency, which is responsible for developing the

region, were trained in new research and data-management techniques. The strengthened development agency has successfully negotiated with the European Union for an 8 million ECU project for the sustainable development of the Upper Orinoco, and with Germany Agency for Technical Cooperation for continued support to the Alexander von Humboldt centre. UNDP has also fielded a project identification mission to design a $4.3 million, GEF-financed project to help indigenous communities in three areas.

Jordan

37. An arid climate, and the fact that less than 1 per cent of the land has forest cover, exposes rangelands in Jordan to frequent fires and droughts. The grassy rangelands cover 90 per cent of the country's total land area. UNDP is helping train Department of Forestry staff so that they will be able to ensure sustainable use of the forest and range resources by the design and implementation of national management systems. These systems will provide employment, help enhance participation and develop income-generating activities for rural communities. FAO is supporting a continuation of the training of forestry officers in management with $208,000 from its own resources.

38. In 1984, the Executive Committee of the Multilateral Fund of the Montreal Protocol approved an additional $56.56 million in UNDP work programme. With total work programme budgets now amounting to $79.61 million, UNDP is assisting 31 developing countries in the planning, preparation and implementation of country programmes and projects to replace and phase out chlorofluorocarbons, halons and other ozone-depleting substances. This is being done through programme formulation, technical training and demonstration, institutional-strengthening and capacity-building, and technology transfer. With a total of 283 ongoing projects, UNDP is helping Governments and industry to design, implement, monitor and evaluate the implementation of programmes geared to the phasing out of ozone-depleting substances. It is expected that these projects will cumulatively result in the elimination of approximately 8,500 tonnes of ozone-depleting substances by the end of 1996.